

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION

IN RE:	§	
	§	Case No. 10-42135-LWD
SAVANNAH OUTLET SHOPPES,	§	
	§	Chapter 11
Debtor.	§	

OBJECTION TO DISCLOSURE STATEMENT

Donald F. Walton, the United States Trustee for Region 21 (the "U.S. Trustee"), through the undersigned counsel, hereby respectfully objects to the Disclosure Statement filed by the debtor.

In support of this objection, the U.S. Trustee states the following:

1. The disclosure statement fails to include data showing the debtor's postpetition financial performance. Absent such information, creditors have no ability to judge for themselves whether the debtor's cash flow projections are feasible. 11 U.S.C. § 1129(a)(11).
2. The debtor's bankruptcy schedules report roughly \$52,000 in unsecured claims. However, the debtor proposes to pay some but not all (only \$22,000) of these claims in full but without interest. The disclosure statement should specifically identify those claims that the debtor proposes to pay in full as well as those claims which will not receive any distribution under the plan.
3. In the plan, the debtor fails to specify what constitutes property of the estate if the plan is confirmed and the case is subsequently converted to chapter 7. The following language should be added to the plan: "If the plan is confirmed and the case is subsequently converted to chapter 7, all of the property that vested in the reorganized debtor at confirmation, and any proceeds of such property, shall revert in the chapter 7 estate."

WHEREFORE, the U.S. Trustee requests that the Court deny approval of the debtor's Disclosure Statement and grant such other and further relief as may be deemed just and proper.

Date: September 8, 2011

Respectfully submitted,
DONALD F. WALTON,
UNITED STATES TRUSTEE, REGION 21

By: /s/ Joel Paschke
Joel Paschke, Trial Atty., UST's Office

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the within and foregoing **OBJECTION TO DISCLOSURE STATEMENT** has been served upon the following by mailing a copy of the same through the United States Mail bearing sufficient postage thereon. In addition, electronic service will be received by those parties that are entitled to receive such service in this case through the electronic filing system of this Court.

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Date: September 8, 2011

/s/ Joel Paschke
Joel Paschke

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